

DIRECTORATE OF INTELLIGENCE

# Central Intelligence Bulletin

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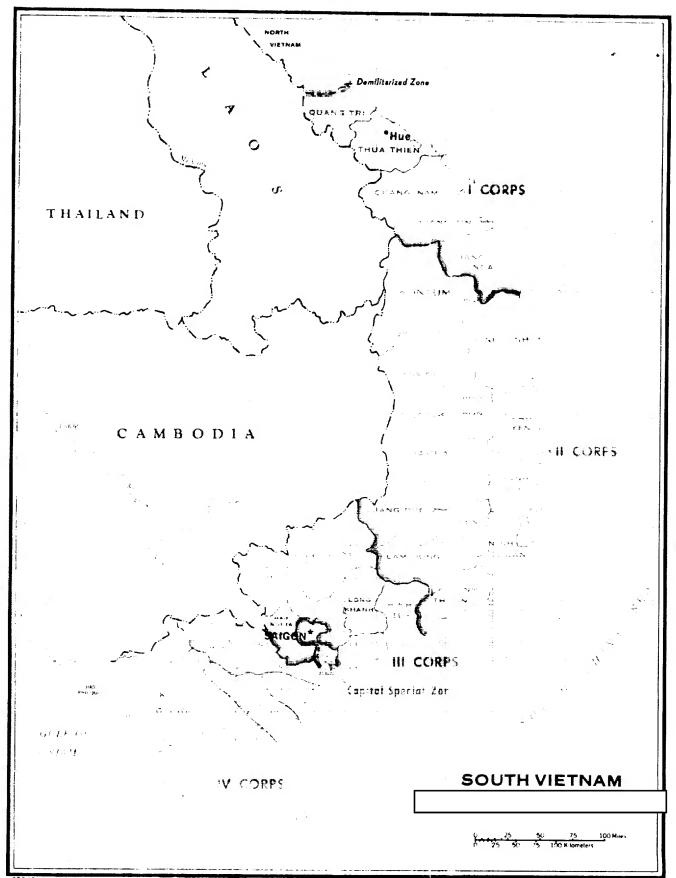
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South Vietnam: Further clashes were reported yesterday around Saigon and along the northern coastal plain, but major enemy offensives have not yet materialized.

In the capital region heavy fighting was largely confined to the Chinese quarter of Cholon, along key approach routes just south of the city, and on the northern outskirts. South Vietnamese infantry units in nearby Hau Nghia and Long Khanh provinces reported engagements with enemy forces of regimental and two-battalion strength.

US forces operating in the northeastern sector of Quang Tri Province and near Hue in adjacent Thua Thien Province had several sharp encounters during the day with North Vietnamese units.

The South Vietnamese Government is apparently preparing for contingencies which may arise during the forthcoming talks in Paris.7

Czechoslovakia: The party presidium has apparently bowed to the liberals on the hottest domestic political issue in Czechoslovakia, the convening of a special party congress.

Liberal members of the party for some time have been pressing for an extraordinary congress at which they would try to oust conservatives and Novotny supporters from the central committee. Party leader Dubcek had equivocated on the issue until 26 April, when he said he would recommend to the central committee plenum meeting this month that the congress be held as soon as possible.

Secretariat member Stefan Sadovsky informed a regional party organization last weekend that the presidium is concentrating on convening a party congress. Jiri Hochman, a prominent staff member of the main party daily Rude Pravo, has stated privately that it is virtually certain the extraordinary congress will be held in July. The presidium is scheduling a series of "consultative meetings" of party functionaries from all over the country partly to prepare for a congress.

The factional struggle between liberals and moderates was also reflected in Hochman's report that on 3 May staff members of Rude Pravo demanded at a meeting with Dubcek that the paper's conservative chief editor, new presidium member Oldrich Svestka, be removed.

Svestka is apparently under attack because his views differ from those of the liberals on the staff. In March, the party expressed full confidence in him, but Hochman stated that a "vigilante group" on the paper now stands guard every night to prevent Svestka's making changes in the paper's articles.

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Nigeria: The recognition of secessionist Biafra by additional countries appears likely unless there is a cease-fire soon.

Although no other country has yet followed Tanzania's lead, Gabon's President Bongo made public statements in Paris and Libreville on 3 and 4 May that could presage recognition. In addition, there are growing signs that Ivory Coast, whose President commended Tanzania's action last month, is moving toward early recognition.

There now seems little doubt that France is to some degree encouraging Francophone African states in this direction. A high French official said on 3 May that Ivory Coast and several other African states are likely to recognize Biafra soon unless peace talks make satisfactory progress.

The meeting on 6 May in London between federal and Biafran representatives was reportedly sticky and unproductive. Their unwillingness to agree quickly on a location for further talks suggests neither is really prepared to undertake substantive negotiations. The Commonwealth Secretariat, however, was attempting to set up another meeting.

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#### NOTES

South Korea: The opposition New Democratic Party on 6 May carried out its threat to walk out of the National Assembly. The walkout had been threatened if the government majority pressed its legislation to strengthen the legal basis of the new regional militia force. The government majority reportedly intends to recess the assembly until 9 May, when it will refer the militia measure to a plenary session for passage later in the same week. So far the opposition has given no indication that it intends to continue its boycott after the assembly has disposed of the controversial measure.

. . . .

Philippines: The Marcos administration has shipped 10,000 tons of rice to Indonesia in an effort to bolster the prestige of its rice development program. In and of itself, the shipment does not indicate that the Philippines are self-sufficient in rice production, as some press reports have suggested. The rice comes from a stockpile of about 520,000 tons that has been built up with the help of imports in recent years. The Philippines may be able to avoid importing rice in 1968 for the first time in several years. Local production, however, is still below minimum consumption requirements and imports may be needed again

in 1969.

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British Honduras: The opposition is trying to use the widespread hostile reaction to the US mediator's proposed independence treaty to topple the colonial government. Repeated opposition demonstrations last week prompted activation of the volunteer guard and alert of the 200-man British garrison. The security situation is under control for the time being, but Premier Price faces a major political crisis and rumors are circulating that his party-which also strongly opposes the treaty-may request his resignation.

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France: De Gaulle, motivated in part by the approaching US-Vietnamese negotiations, has issued a strong public warning that street violence resulting from student riots in Paris could not continue. He implied that strong measures would be employed to prevent such violence. The major student union, supported by the largest teachers' union, has, however, called for further demonstrations. The demonstrators, whose orientation ranges from the extreme left to the far right, have concentrated on educational reform and alleged police brutality and as yet have had no identifiable political goals. The riots so far have resulted in numerous arrests and the suspension of classes at the Sorbonne.

Malawi - South Africa: President Banda announced on 4 May that the South African Government will loan Malawi \$11.2 million to begin construction of a new capital city in Lilongwe. Banda implied that South Africa will later provide more assistance to complete the project, which could run to \$56 million. Repayment is to be drawn out over 25 years. The loan illustrates the rapprochement between white-ruled southern Africa and Malawi.

The project will open up a neglected region of Malawi, so that some economic advantage eventually will accrue. Financially strapped Malawi certainly has more pressing development needs than this pet project of Banda's.

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